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N E W S   C O N F E R E N C E

#324

AT THE WHITE HOUSE

WITH JODY POWELL

AT 2:45 P.M. EDT

JULY 11, 1978

TUESDAY

STAT MR. POWELL: I don't have any announcements today. I will be glad to try to answer your questions.

Q     What is the leak that the President is so upset about?

MR. POWELL: I don't think there is any -- so far as I know, there has not been any one particular incident that is of greater concern than a single incident and so forth. As I saw the wire service stories, they seemed to be basically correct, there have been a number of situations in which classified information has been improperly released and it has caused us problems in intelligence gathering. Some of these cases have come from Hill sources. Some of them come from Executive Branch sources. We obviously hope we will be able to do what we can to minimize this sort of thing in the future.

Q     How?

MR. POWELL: I don't think I would want to get into the details about what might be done. As far as the Congress is concerned, that is a decision they have to make for themselves. We are not in a position to recommend things to them. We have our responsibility, when we see a problem, to let them know that there is a problem there.

Q     Is he going to write a memo or anything like that to reinforce his --

MR. POWELL: I frankly don't --

Q     You say there have been several instances. Can you give us two?

MR. POWELL: I don't think I want to do that.

Q     Can you give us one?

MR. POWELL: No. What am I bid for one incident?

Q     It is a Catch-22 situation. The President says he is very upset about it. He has called in Senators and talked about it, unspecified steps are going to be taken. The nature of a leak is that it appears somewhere in a publication and therefore is a matter of public record. You talked to the Senators out there and the most recent one they could come up with is Daniel Ellsberg and the Pentagon Papers which seems to be a little attenuated to some of us. We can't think of anything. We are asked to report something here that --

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MR. POWELL: I assure you it is not confined to Ellsberg.

Q Give us recent examples of what you are talking about. You are asking us and the American people to buy a pig in a poke.

MR. POWELL: I don't give a damn whether you believe it or not.

Q It is a matter of public information. What --

MR. POWELL: I am not concerned with trying to convince you whether these things have taken place or not. We didn't set out to make a public issue of it. We set out to do something about it. Hopefully, we will be able to. Whether you believe there is a problem or not is of no concern to me.

Q Have they jeopardized national security?

MR. POWELL: I am not familiar enough in detail to make judgments about to what extent damage has been caused. But I suppose you could certainly make the case that if previously valuable sources are no longer available to you for one reason or the other, that that does have a negative impact upon the collection of information which is important to national security.

Q Jody, is this going to be done --

MR. POWELL: It is hard to say if a source dries up what you would have found out if it hadn't, I guess. I suppose that is what you are dealing with here. I don't think the republic is about to collapse over it or anything.

Q Do you propose to use existing legislation, new legislation, administrative action? How do you propose to go about this?

MR. POWELL: As I say, as far as the Congress is concerned, that is a decision for them to make. I am really not completely aware of all the steps that might be taken within the Executive Branch. But I think everybody is aware of the fact this is a continual problem. I suppose every Administration has it. You don't ever eliminate it completely in a democratic society. You do the best you can to minimize it and to try to avoid having it happen in situations that could be particularly damaging.

Q That would not include calculated leaks on the part of the White House of sanitized CIA documents, would it?

MR. POWELL: No. As a matter of fact, if we decide to make a leak, we generally make sure it is not something that would jeopardize national security. What concerns us is people leaking things generally without the knowledge of whether it would damage national security -- (Laughter) -- to be very frank about it.

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Q The difference between clean graft and dirty graft, hey?

MR. POWELL: So far as I know, I have never leaked anything that has fallen into that category basically because if I get ready to make information like that available to the public and I think there is -- as you know, I have never detected any lack of eagerness on your part to participate in such activities.

Q We are not making the complaint, you are.

MR. POWELL: Okay. I make damned sure I know what I am talking about. That is why we had the CIA sanitize the thing.

Q Without citing any specific example, is it your contention that previously valuable intelligence sources have dried up specifically because of leaks?

MR. POWELL: Well, it is my understanding that that has happened. And based on--I think one of the Senators said -- let's see, "A formerly reliable source indicated that he knew of a particular situation" --

Q He was quoting the President.

MR. POWELL: Well, you can assume I agree with the President. That is not particularly new; that to the best of our judgment, based on statements that some of these folks have made, that they don't have the confidence that they would like to have in the security of the information that they provide us and with the security of their person when they participate, when they cooperate with us.

Q And that is your principal concern, its impact on the availability of sources' willingness --

MR. POWELL: I don't say that is a principal concern, but the general impact upon our ability to gather information is a principal concern. Part of that is the fact that people, if you can't protect them, people won't talk to you. All of you are familiar with protecting sources. I understand every now and then you are willing to go to jail. We think it ought to be understandable that we would have a concern about protecting concerns.

Q We are not separate from you.

MR. POWELL: I know that. I would think you would understand our concern about protecting sources.

Q We haven't seen the damage done, really.

MR. POWELL: I am not sure -- I don't think that is at issue. I don't ask you to explain to me the damage that would be done when you use a blind quote. I don't ask you who that blind quote is because I respect your determination to protect that source. I don't ask you to give me an analysis in detail of why that particular individual would be damaged if his or her name was revealed.

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Q Your classification criteria impinges on damage to national security. I mean, you have to prove your case.

MR. POWELL: There is no doubt that in the past there has been an overclassification of material that perhaps has contributed to this sort of problem. We have taken steps, as you know, announced within the past few weeks, to try to deal with that. You are not going to deal with that completely, either, because one of the things that has been a bit of a realization to me in the past 18 months is how difficult it is to tell just reading a piece of classified paper whether or not and how that might be damaging if it were released. And there are certain situations, a couple which I can think of that I have been involved in personally, in which at first glance it would have seemed to me there was absolutely no reason on God's earth why that information could not have been published word for word.

Later, upon a better understanding of what was involved, it became very clear to me about what damage would have been involved.

Q Are you contemplating formal legislation to make more stringent -- something comparable to the Official Secrets Act?

MR. POWELL: I don't know of any.

Q Are most of these leaks from the Hill?

MR. POWELL: I don't know how to divide them up.

Q Let me pursue that, then. Well, the President raised the subject at a meeting with the Congressional leaders today. Why?

MR. POWELL: Because some of them are from the Hill. If you have 134 from the Hill, you talk to people on the Hill.

Q Did he raise this previously at a Cabinet meeting?

MR. POWELL: I frankly don't know if it has been raised at a Cabinet meeting.

Q At a senior staff meeting.

MR. POWELL: It has been raised in the Executive Branch. It is a continuing problem within the Executive Branch also. The reason he talked with the people on the Hill, if you have a problem on the Hill, people in the Executive Branch, we have to tell the people on the Hill because we can't control what happens on the Hill. They have to deal with it there. It is not because we are trying to cast aspersions on the Legislative Branch at all.

Q He did not raise it at a particular Cabinet meeting as far as you know.

MR. POWELL: I didn't say that. I said I don't know. Frankly, I don't remember a Cabinet meeting in which matters of great sensitivity in terms of national security have been discussed. That is really not the purpose of a Cabinet meeting.

There are about 40 people in a Cabinet meeting, as you well know, and almost everything that is said in there leaks out anyway.

Q I was referring to matters of national security. I wasn't referring to matters of the Cabinet meetings, but just to send out the word that leaks should be plugged.

MR. POWELL: The word has been sent out.

Q Have those of you who have access to secret information in the Executive Branch either been admonished in a particular way or have you had your procedures changed in a particular way that reflects this kind of concern?

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MR. POWELL: I am not going to go into detail. There are constant refinements. There is a routine procedure in the White House, as I am sure there is in all agencies that handle highly classified material, for keeping a check on it, for the reporting of and, as we put it, the admonishing of those who are careless in the handling of that material. That is a routine sort of thing. I suppose it has gone on -- it was a system that was in place when we got here.

Q Like lie detectors and things like that?

MR. POWELL: I think it started in the Kennedy Administration, really.

Q Really?

MR. POWELL: I don't know. (Laughter)

Actually, Woodrow Wilson did that. He brought it from Princeton, developed it when he was practicing law in Decatur.

Q If he would call in Members of Congress, wouldn't he have in some way expressed some heightened concern to members of his own staff and people in the Executive Branch? You make it sound as if they were routine procedures.

MR. POWELL: There is a bit of a difference there. We are in a position in the Executive Branch, obviously, to act on a sort of continuing basis. With the Congress, they are not in a position to know, unless we tell them, quite as extensively when there is a problem in this area.

I am sure, as was indicated, it seemed to me, by some of the comments, that the Congress was not entirely, or at least some Members were not entirely unaware that there might be a problem there.

Q Is there any connection between the President's concern over the leak problem at this point and the court case pending against Judge Bell? Are you trying to create a public record here or a frame of reference in which the problems will be brought to the attention of the Appeals Court in the Bell case?

MR. POWELL: Oh, no. It doesn't seem to me it intersects at all.

Q It deals with the Government's contention that the sources will dry up. Are you trying to focus attention on that because --

MR. POWELL: No. It's really not our fault that you've got this Judge in a confrontation with the Attorney General at the same time that you've got other problems going on. It would suit us fine if either one or both of them didn't exist.

Q Jody, we're speaking from an historical perspective that in facing news leaks, Nixon created the plumbers, which led to many, many of the debasements of his Administration, and you hint at the methods, you say they are already in place --

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MR. POWELL: Look, Helen, that is just not fair, dammit. Every agency that deals with classified information has to have a system for checking on what happens to it, depending on the level of classification, who has access to it, what they do with it, whether or not copies are made, whether you leave it lying around your desk at night and so forth. There are procedures for trying to remind people there are certain ways to handle it and certain ways not to. That doesn't have anything to do with plumbers. It is a disservice to view things that have gone on for decades and will go on presumably for decades through the very narrow perspective of what happens during a three or four-year period in this country.

Q We are puzzled why you bring this up today.

MR. POWELL: I didn't bring it up.

Q The President did. He said it was a continual problem.

MR. POWELL: Because it was a problem he felt we ought to explain to the Members of Congress. We didn't hold a public meeting on it, didn't hold a press conference. We made no effort to make a big deal out of it. My guess is the meeting didn't last as long as all this.

Q What happened that seems to have specifically triggered it? For example, there is a story -- with the negotiations overall and the United States' position on multiple holes for rockets. Is that what brought the President to --

MR. POWELL: As I say, I don't know of any specific story that -- you are talking about an accumulation of events and that in sum led to the conclusion that there was a problem which we had been attempting and would be attempting to deal with within the Executive Branch which ought to be brought to the attention of the appropriate people in the Congress which is the way this whole system is set up so that they could take whatever steps they felt to deal with it. That seems to be a very reasonable way to do it.

Q Could you give us one example?

MR. POWELL: No.

Q Why not?

MR. POWELL: I could but I don't intend to get into that. I wouldn't give the reporter the satisfaction.

Q It doesn't seem to me to be unreasonable for us to ask for an example of the kind of problem you and the President are trying to deal with.

MR. POWELL: I give you the freedom, the right to that opinion. I am just not going to get into the position of trying to list examples.

Q Did they discuss any specific examples this morning?

MR. POWELL: Apparently they did. I wasn't in on the meeting, but just from the --

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Q You say you can't really do much except talk with Congress about leaks from that end. But for employees of the Executive Branch, is it now understood that a leak that is judged to damage national security is grounds for dismissal of the employee responsible?

MR. POWELL: I frankly don't know what the laws and rules and regulations are. I think most leaks that come from both the Executive Branch and from Congress that end up being damaging in these areas are not somebody who is leaking information because they want to go out of their way to cause problems in the gathering of legitimate intelligence. Nine times out of ten my guess is that it is someone who doesn't understand that this will cause any problem and they are leaking it because they are out to advance some particular policy option, they are out to get somebody personally that disagrees with them, that -- you all know the motives for leaks a lot better than I do. It is the lifeblood of the church.

And one thing that helps is making people a little more aware that this sort of thing does cause a problem and making people stop and think a little bit and at least making sure before they leak something that they have some idea of its ramifications and implications. And you can't always know without a great deal of effort.

I think the fact that within the bureaucracy and presumably now within those in the Congress who have access to this sort of information that there is an awareness that there is a problem here may have some salutary impact itself. There are other steps that you can take, and all I said was that I think history shows that under a democratic society, that the best you can do is minimize it. That is one of the prices we pay for the sort of society we live in and I think it is a pretty cheap price, frankly, and I am sure the President shares that and the Members of Congress share that.

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Q In addition to the things that have already been said and done by this government, are there any other steps in connection with the Shcharanskiy-Ginzburg trial that this government contemplates taking?

MR. POWELL: As you know, there have been various and sundry suggestions about other steps which the government might take. Some of those --

Q Suspend the SALT talks?

MR. POWELL: Some might be considered appropriate, some not. We have made it clear for 18 months we did not think linkage of the SALT talks was a credible or responsible response in situations such as this. I think you may safely assume that that will continue to be our view. It is not in our national interests nor, frankly, does it contribute to the process of advancing the goal of human rights inasmuch as it is hardly, in the long run, a credible response in such situations. But as for other matters, I have noted some recent statements on the matter. The President appreciates the statements which indicate his concern over this issue is widely shared. And as for any specific steps, he will just have to make his best judgment based on the information available to him about what further steps should be taken and, if so, when.

Q Does he appreciate Senator Moynihan's remark about the White House inactivity--and that is Moynihan's characterization--approaches complicity in the trials that are going on in the Soviet Union? And secondly, what about Senator Jackson's specific recommendations that the President turn down two export licenses, one for an oil bit and the other for a computer?

MR. POWELL: Well, I indicated to you what the President appreciates. And I will let you draw your own conclusions about other matters. As for specific recommendations, we always appreciate those, too, whether we read about it in the paper or otherwise. And as I say, the President will have to make his decisions based on what he feels will most strongly support our goals in the areas of human rights.

Q Has Carter sent a message with Vance to Brezhnev on this subject, or any other?

MR. POWELL: Yes. As I think we indicated, Secretary Vance, as I understand it, is taking a message from the President to Brezhnev.

Q What did he say in that?

MR. POWELL: I don't know.

Q What subject matter?

MR. POWELL: On human rights and on the trials.

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Q Is he asking something of Brezhnev?

MR. POWELL: I frankly do not know what is in the message. We usually don't get involved in --

Q Would this government consider proposing a trade involving Shcharanskiy?

MR. POWELL: All I can say -- I am aware of the report on that -- is that we did explore various possibilities for obtaining Mr. Shcharanskiy's and others' freedom and as one might gather from recent events, there seemed to be no particular interest in that course of action.

Q How many others?

MR. POWELL: That is about as much as I can say on it.

Q You said there seemed to be no particular -- does that mean exploration went as far as in feeling out the Soviets --

MR. POWELL: I am not completely familiar with all the details and, as I say, I think I have been about as specific as I can about the matter.

Q Did you mean to leave that impression that some kind of at least a tentative offer was turned down?

MR. POWELL: I didn't -- I don't think I meant to leave the impression one way or the other. I would be content with sort of what I said.

Q What kind of instructions did the President give Secretary Vance on the SALT talks?

MR. POWELL: First of all, I am only generally aware of them and secondly, I don't think we have ever revealed the instructions for the SALT talks from this podium.

Q I have a question on the Mideast. For the last four days the Israelis have been shipping heavy armaments to the phalange forces through the Port of Jaouneh. At least some of those are of U. S. origin. Is the President going to take any steps under the Arms Export Control Act?

MR. POWELL: I am not prepared to comment on that this morning.

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Q Will you be at some time soon or will State --

MR. POWELL: That is a possibility. It would be more likely that State will deal with that.

Q Do you have any reaction to the defeat of the Hart amendment, the Senate's passing of money for the aircraft carrier for the --

MR. POWELL: I am not going to react to that particular point. But we have made our views known about the nuclear carrier from several levels of the Administration. That was one of the matters discussed last night, as a matter of fact. It is our view that generally speaking, we are better off with a larger number of conventionally powered aircraft carriers and ships, that we ought to -- I think Secretary Brown has expressed on occasion his concern that this appetite for nuclear power in the Navy would, if we are not careful, price the Navy out of the market in terms of its impact on the Navy and damage our ability to fulfill our mission of protecting the sea links and our protection in large areas of the world.

That is the danger for the Navy, because, as you know, when you buy a nuclear aircraft carrier, that is not the end of it. When you buy the nuclear aircraft carrier, then the argument is made very closely on the Hill as well that if we have nuclear aircraft carriers, we have got to have another nuclear cruiser, because if we don't have the nuclear cruiser, we don't get the benefit of the nuclear aircraft carrier. So the follow-on outyear costs are of concern to the Administration. Because of the cost to the Navy, as I just indicated to you, and because of its impact on other services, we view one of our major problems in the immediate future to be the situation in the NATO-Warsaw Pact area. And when you take additional money, several billions of dollars, and reallocate them within the budget, then they have to come from somewhere. And I think some of these funds, as I understand it, will come from programs designed for construction for prepositioning of stocks and materiel that will provide for rapid reinforcement of NATO forces -- obviously the Warsaw Pact.

So there are a number of reasons that we just don't think that is a good buy in terms of our defense dollars. The overall defense budget, I think, at this point, looks to be reasonably close to what the Administration recommended. What we are arguing about now is how you allocate those dollars to get the maximum amount of defense for the dollars spent to deal with our most pressing needs first, with concern, as I said, for outyear costs and what that is going to do with the balance among the forces, too.

We think that is not the best way to spend money right now. There are obviously more than a few folks in the Congress that think for a variety of reasons this or that program is a good one.

Q You say the dollars seem to be reasonably close to the recommendation of the Administration. Do you say that bill, defense authorization, is not one of the targeted veto bills?

MR. POWELL: I didn't mean to make any suggestion about that at all. I was making the point that it is not at this point -- it may get to be -- so much of a question of overall budget totals. I mean, the level of defense spending and so forth, as it is, within budget totals at least for this year are reasonably close. What is the most efficient way to spend those dollars? And, you know, there are more than a few historical examples of -- well, I won't say that.

Q Will the President consider meeting Mrs. Shcharanskiy?

MR. POWELL: I don't know what the plans are on that. I think the Vice President did meet with Mrs. Shcharanskiy in Jerusalem, and we are in the process of sort of checking on arrangements. I will just have to let you know.

Q In other words, the President is considering meeting Mrs. Shcharanskiy?

MR. POWELL: If we had already ruled such a meeting out, I wouldn't be --

Q No, I am trying to --

MR. POWELL: I know what you are trying to do. I just don't know. I don't know what will develop.

Q Will the President consider vetoing that military bill if the carrier is in it?

MR. POWELL: I don't think I am in a position of wanting to make a veto threat at this point. We will have to consider the circumstance. Unless we have already made one -- I don't think the President has. We just have to see how it turns out.

Q On energy, did the President speak to the Congressional leaders today about the damaging blow from the lack of an energy plan when he goes to Bonn?

MR. POWELL: At the leadership breakfast? I am sorry, I haven't checked --

Q Do you know what his feelings are about the energy situation now?

MR. POWELL: They haven't changed perceptibly since we sent the thing up there. We believe that it is in our national interests to have an energy plan. I think we have shown that we are willing to be reasonable in working out differences, that we haven't always insisted on just our energy plan out of pride of authorship. But after 18 months, it isn't a question of ours versus somebody else's; it is this proposal or a continued lack of a willingness to exercise our responsibility to deal with our own problems. He has indicated that he hopes and expects that we will have an energy plan before the Congress goes home this year.

Q Speaking of vetoes, has the President had any second thoughts about his statement that he would probably -- I don't think it was a flat statement, but his strong indication he would veto the so-called Jones compromise to the Steiger Amendment, the statement he made at his last press conference?

MR. POWELL: Not that I am aware of. I don't remember precisely how he put it, but rather strong expression of concern --

Q Representative Ullman was quoted as saying the Administration would have to accept some compromise along those lines. Has he communicated that to the Administration?

MR. POWELL: I don't know. I wouldn't think it would be overly wise to just bid on what the President has got to accept this year. It might lead to -- I don't know what the status of that is. We haven't had much success to get anybody interested in anything that could be defined as a compromise except in the broadest terms. And certainly anything that involves any sort of progressive reform has been an orphan on Capitol Hill.

Q Ullman says that the Secretary of the Treasury is going to bring one in as of tomorrow but it would probably be next week. The strong implication is you are going to have some further tax submission. That is all we are trying to find out.

MR. POWELL: I'm sorry. I just don't know. If the Chairman says that, I'm sure it must be so. But I just have not had any contact with the Treasury folks in the last day or so and I am not aware of what discussions might be going on there.

Q From what you said about not having any pride of authorship in this energy program, indicating some flexibility, are you ready to accept three or four out of the five bills --

MR. POWELL: That wasn't what I was talking about. Clearly you have to deal with the problems. All I was saying was that we clearly had been willing, certainly grudgingly at times, but nevertheless it wasn't a question of us sending up a plan and saying, "Take it or leave it". We have been working desperately with the Congress for all these many months to try to reach a resolution. Frankly, we have made pretty considerable progress considering where we started on the business. But I don't have one yet. And the point I was getting to was that it wasn't a case of, as the President has approached it, the best approach.

So far you have heard a lot of folks saying, "What is wrong with it?" You haven't had -- well, I take that back. I do remember last summer that a group of people representing a particular political organization did come forward with their energy plan. I don't know what happened to that. So I guess there was an alternative to that. But basically I think that is because everybody realizes that there is no easy way to deal with this or no popular choices or options that you can take, and you either make some difficult choices and deal with the problem or continue to ignore the problem.

Q Is the President going to say to his colleagues in Bonn what he proposes to do if the Congress doesn't come up with anything?

MR. POWELL: Well, I think I indicated yesterday that it would be my guess that the thrust of the Bonn summit, the measure of its success, at least in the short term, will be the extent to which the various national leaders leave that conference convinced of the determination and the commitment of their colleagues to deal with -- to get the job done in a number of areas. Energy is one, trade is one, industrial growth and expansion is another. Every nation there -- none of us are perfect, by any means.

Q None of us is perfect.

MR. POWELL: Pardon?

Q None of us is perfect.

Q Speak for yourself.

Q You had your subject wrong.

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Q Go on.

Q Say "None of you are perfect."

MR. POWELL: So we do know that some of us can speak English, even if we can't write it.

Q Go on.

MR. POWELL: You understand what I mean. To get to your point, I would rather doubt there is going to be a great deal of discussion by the individual national leaders about the specific timing and the specific steps that they would plan to take to get those jobs done.

I think, as I said yesterday, we will be in a rather good position in maintaining our credibility in this regard, if you look back at our record of performance following the London summit.

Q Are you anticipating a frank discussion on Italy's current domestic economic problem, more specifically the balance of payments problem, relationship with the IMF?

MR. POWELL: Obviously, that balance of trade probably will be dealt with, as will ours, for example, as will the Japanese' which is a problem in a different way, and the Germans'.

THE PRESS: Thank you.

END (AT 3:15 P.M. EDT)